

Small Business Impact Statement

Prior to adopting a new section or amendment, Section 4-168a of the Connecticut General Statutes (C.G.S.) requires that each state agency consider the effect of such action on small businesses as defined in C.G.S. Section 4-168a. When such regulatory action may have an adverse effect on small businesses, C.G.S. Section 4-168a directs the agency to consider regulatory requirements that will minimize the adverse impacts on small businesses if the addition of such requirements (1) will not interfere with the intended objectives of the regulatory action and (2) will allow the new section or amendment to remain consistent with public health, safety and welfare.

State Agency submitting proposed regulations: **Department of Developmental Services (DDS)**

Subject matter of Regulation: **Licensing of Community Living Arrangements (CLA)**

In accordance with C.G.S. Section 4-168a, staff analyzed the effect on small businesses of the proposed regulations and determined the following:

Check all appropriate boxes:

- ☒ The regulatory action will not have an effect on small businesses.
- ☐ The regulatory action will have an effect on small businesses, but will not have an adverse effect on such small businesses.
- ☐ The regulatory action may have an adverse effect on small businesses, and no alternative considered would be both as effective in achieving the purpose of the action and less burdensome to potentially effected small business. Alternatives considered include the following:
- (1) The establishment of less stringent compliance or reporting requirements for small businesses;
 - (2) The establishment of less stringent schedules or deadlines for compliance or reporting requirements for small businesses;
 - (3) The consolidation or simplification of compliance or reporting requirements for small businesses;
 - (4) The establishment of performance standards for small businesses to replace design or operational standards required in the new section or amendment; and
 - (5) The exemption of small businesses from all or any part of the requirements contained in the new section or amendment.
- ☐ The regulatory action will have an adverse effect on small businesses that cannot be minimized in a manner that is consistent with public health, safety and welfare.

Has the State agency listed above notified the Department of Economic and Community Development of its intent to take the proposed action?

No

Has the State agency listed above completed the Agency Fiscal Estimate of Proposed Regulations?

Yes

AGENCY FISCAL ESTIMATE OF PROPOSED REGULATION

Agency Submitting Regulation: Department of Developmental Services (DDS) Date: 10/01/2014

Subject Matter of Regulation: Licensing of Community Living Arrangements

Regulation Section No.: 17a-227-1 to 17a-227-12, inclusive Statutory Authority: Section 17a-227(b)

Other Agencies Affected: None

Effective Date Used In Cost Estimate: July 1 of First Year

Estimate Prepared By: Mary Fuller Telephone No.: (860) 418-6163

SUMMARY OF COST AND REVENUE IMPACT OF PROPOSED REGULATION

Agency: DDS Fund affected: General Fund 18010

	First Year	Second Year	Full Operation
Number of Positions	0	0	0
Personal Services	0	0	0
Other Expenses	0	0	0
Equipment	0	0	0
Grants	0	0	0
Total State Cost or (Savings)	0	0	0
Estimated Revenue Gain or (Loss)	(15,800)	(15,800)	(15,800)
Total Net State Cost or (Savings)	15,800	15,800	15,800

Explanation of State Impact: DDS contracted residential providers of Group Homes (CLA) have a total of 381 licensed CLAs with 5 or more beds. The number of contracted residential providers with licensed CLAs that have 5 or more beds is 65. The number of units subject to the annual \$50 license fee will decrease from 381 to 65. Therefore the loss in revenue is computed at \$15,800. Under the proposed change, the annual revenue will fluctuate as a result of changes to the number of entities with licensed CLAs, operating with 5 or more beds. The annual \$50 license fees go directly to the Treasurer of the State of Connecticut.

Explanation of Municipal Impact: No municipal impact.

Explanation of Small Business Impact: No small business impact.